



Business Plan

September 2015

Prepared for HOPE 4 Youth by:



strategic consulting & coaching
creating new paths for growth & success

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HOPE 4 Youth Business Plan

Executive Summary

In the fall of 2012, Brian Swanson, an Anoka County businessman, brought together a small group of friends and neighbors who shared his concern for the growing number of homeless youth in their community. With a commitment from scores of community volunteers, they moved quickly to open a Drop in Center in the city of Anoka. Here, Hope 4 Youth (H4Y) volunteers addressed basic needs, offered counseling and provided referrals to shelters and transitional housing. In June of 2013, Hope 4 Youth became a 501c3 charitable nonprofit organization. As the number of young people accessing H4Y's services grew, the organization began to add paid staff. H4Y has accomplished a great deal in a very short amount of time. However, they have a broader vision; one that has the potential to end youth homelessness in Anoka County

To accomplish that vision, the Hope 4 Youth's Board of Directors made a decision to enhance the agency's mission. They have committed to establishing the first transitional living program in Anoka County for homeless youth. They immediately launched an aggressive capital fundraising campaign and began the search for a suitable property. H4Y volunteer John Sitarz led the campaign, raising an impressive \$1.2 million. After an extensive search, Hope 4 Youth found a property that met their established criteria. The agency is now seeking a use flexibility from the City of Coon Rapids ordinance code 11-1003. Approval from the City of Coon Rapids is a critical step in this endeavor and if granted will allow Hope 4 Youth to begin implementing a comprehensive business plan.

Organizational History

HOPE 4 Youth Drop-In Center

The Hope 4 Youth Drop-in Center is open Monday – Friday, from 2-7 p.m. and Saturday and Sunday from 1-4 p.m. On a typical day, 25-35 youth come into the Center for some of their most basic needs. They know they will get a hot meal, be able to take a shower, and do their laundry. They have access to the food pantry and donated clothing. They know they will find non-judgmental support and encouragement at the Center.

Unfortunately, at the end of the day, everyone has to leave. Many of the youth who leave the Center have no safe place to go for the night. Currently there is no overnight shelter for unaccompanied youth in Anoka County, so many ride a metro bus all night, sleep outside or end up in undesirable locations/situations for the night. In the first six months of 2015, 204 youth (104 male; 100 female) that visited Drop in Center identified housing as their most urgent need.

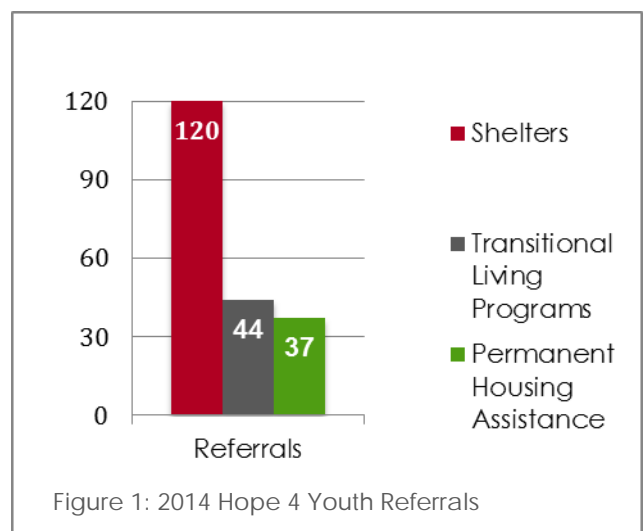
What We Know Now

Over the past three years, H4Y has gained greater insight and understanding of the challenges homeless youth face every day. MN Department of Human Services reports that on any given night in Minnesota, there are more than 4,000 young people between the ages of 16-21 who are homeless. According to Wilder Research, the majority (50.3%) of homeless youth are between the ages of 17 and 18. Research tells us that over 72% of homeless youth have been homeless for at least six months and many have been homeless for over a year.

Current Demand for a Youth Transitional Living Program in Anoka County

In 2014, Hope 4 Youth referred 120 youth to shelter and 44 youth to Transitional Living Programs. 37 youth were provided referrals for permanent housing assistance.

According to the Anoka Hennepin School District, there are currently 537 homeless students in all grades including 105 older students living without a parent or grandparent. Homeless youth are more likely to drop out of school and have little opportunity for employment. Consequently, our homeless youth are at extreme risk for self-destructive behaviors, becoming victims of violence and sexual exploitation.



In order to address the problem of homelessness, Anoka County recently submitted an application to the Minnesota Housing Agency for funding from the Family Housing Prevention and Assistance Program. In addition, the County has implemented Coordinated Entry, a process for identifying families, single adults and youth seeking housing assistance.

There are 200 families and youth in Anoka County currently on the Coordinated Entry wait list for housing, including 29 youth who have completed the coordinated assessment and fit the criteria for a transitional housing program.

Going Forward

Hope 4 Youth is ready to expand its services so that they can help the youth in our community who need more than a decent meal and a hot shower. Originally the Board looked at opening an emergency youth shelter. When they learned that Anoka County had implemented a moratorium on adding any additional shelter beds, they were disappointed but they were not willing to give up. Instead they embarked on a journey to determine what was the most appropriate and viable alternative to an emergency shelter. Hope 4 Youth's Board of Directors put in place a Housing Committee led by Paul Ekstrom and volunteer sub-committees that included acquisition, construction, operations, public relations, strategic planning and finance. They have identified a suitable property and have engaged the services of a local architect. They hired a consultant to help expedite a thorough, due diligence process. The process included extensive research, meetings with experts in the field and tours of successful programs across the metro.

Population to be Served

Hope 4 Youth's transitional housing program will serve one of the most vulnerable population in our community: unaccompanied homeless youth. This program will serve homeless youth ages 17 - 24.

Young people are at significant risk of becoming homeless if:

- Their parents are engaged in substance abuse or have mental health problems
- They suffered or witnessed child abuse or domestic violence in the home
- Their family had previously been homeless
- They identify as lesbian, gay, bisexual or transgender
- They have been in foster care
- Children who have been in foster care are at a greater risk of becoming homeless at an earlier age and remaining homeless longer

Many youth leave home after years of physical, emotional and sexual abuse, the addiction of a family member, or parental neglect. A recent US Department of Health and Human Services study tells us that 46% of runaway/homeless youth had been physically abused and 17% were forced into unwanted sexual activity by a family or household member. Some homeless youth said that their parents either told them to leave or knew they were leaving and did not care.

HOPE 4 Youth's Mission

Serving youth experiencing homelessness through Housing, Outreach, Prevention and Education

To accomplish our mission we will build on the following Nine Evidence-Based Principles developed by the Homeless Youth Collaborative established in 2013.

- 1) Journey Oriented: Interact with youth to help them understand the interconnectedness of past, present, and future as they decide where they want to go and how to get there.
- 2) Trauma-Informed: Recognize that most homeless youth have experienced trauma; build relationships, responses, and services based on that knowledge.
- 3) Non-Judgmental: Interact with youth without labeling or judging them on the basis of background, experiences, choices, or behaviors.
- 4) Harm Reduction: Contain the effects of risky behavior in the short-term and seek to reduce its effects in the long-term.
- 5) Trusting Youth-Adult Relationships: Build relationships by interacting with youth in an honest, dependable, authentic, caring and supportive way.
- 6) Strengths-Based: Start with and build upon the skills, strengths, and positive characteristics of each youth.
- 7) Positive Youth Development: Provide opportunities for youth to build a sense of competency, usefulness, belonging, and power.
- 8) Holistic: Engage youth in a manner that recognizes that mental, physical, spiritual, and social health are interconnected and interrelated.
- 9) Collaboration: Establish a principles-based, youth-focused system of support that integrates practices, procedures, and services within and across agencies, systems, and policies.

HOPE 4 Youth's Vision

All youth will feel safe, valued, and supported while reaching their full potential

Goal: Eliminate youth homelessness in Anoka county

Objective I: Establish a transitional living facility for homeless Anoka county youth that will complement the HOPE 4 Youth Drop in Center

Action Steps

- Locate a site that meets Hope 4 Youth's criteria
- Sign and execute purchase agreement
- Secure capital financing
- Engage an architect, general contractor and project manager
- Renovate the property to accommodate the architectural design and meet city codes

- Contract with CommonBond to provide property management services
- Contract with YouthLink to provide transition coaching, goal planning and employment counseling/job placement services

Objective II: With input from community youth, design programming that meets established best practices and incorporates our guiding principles

Action steps

- Create a Youth Advisory Panel
- Develop program services that can be customized to build on each young person's strengths
- Assign each participant a Transition Coach
- Identify local business leaders willing to provide employment training opportunities for the participants
- Conduct Trauma Informed Care training for all staff, volunteers and board members
- Provide training for all future new hires and ongoing enhanced training for existing staff
- Solidify partnerships with local law enforcement, the Anoka County Housing Program, Anoka-Hennepin School District, youth serving agencies and the faith community
- Data driven decision making
 - Determine program data to be collected
 - Purchase a multi-function data software program capable of collecting data, producing reports and enables the staff and board to analyze the data and its strategic implications

Objective III: Secure ongoing operating funding

Action Steps

- Build a multi-year operating budget
- Hire a Development Manager
- Explore all viable funding sources including state and federal government, foundations and corporations
- Develop annual Development Plan

Objective IV: Open the new facility early in 2016

Action Steps

- Complete construction and pass the building inspections
- Obtain all necessary licensure
- Complete the agency hiring process

- Finalize contracts with YouthLink and CommonBond
- Complete staff and volunteer training
- Work with Anoka County and referring agencies to establish protocol for identifying potential residents
- Determine move in date
- Resident orientation
- Services begin (date to be determined)

Facility Summary

As of the time of this application, HOPE 4 Youth has executed a purchase agreement for the building at 80 Coon Rapids Blvd. in Coon Rapids. The building is perfect as it is a one level building with the potential to build above or possibly alongside. Currently there is 91 parking spots yet the maximum parking spots needed will be so right away and 43 but not until after phase 3 is complete. The purchase agreement is subject to City Council approval of the use flexibility permit.

Attached are renderings of Phase 1 with 12 studio units and Phase 2 adding 14 more and Phase 3 adding another 14 units. The plans and goals for future phases are outlined in future sections.

The building will be completely gutted and remodeled per City and State building code guidelines.

Organizational Summary

Hope 4 Youth is a 501c3 not for profit organization established in 2012 to begin to address the troubling increase in homelessness among Anoka youth. The organization is governed by a six-member Board of Directors. Hope 4 Youth is supported by 318 volunteers. Currently H4Y employs two full time and four part time staff. Our 2015 operating budget is \$427,525.

The new transitional housing program and the Drop in Center are programs of Hope 4 Youth. Policy oversight is the responsibility of the Board Directors. The Hope 4 Youth's Interim Executive Director is responsible for the day-to-day operation of the Drop in Center. The plan calls for hiring a permanent Executive Director by year-end. The Executive Director will report directly to the Board and will be responsible for the oversight of both programs.

Implementation Plan

Construction

The drafting plan attached to this application packet shows the evolution of the transitional housing facility from stage 1 through stage 3. The stages are outlined and explained below.

The timeline for stage 1 is accompanied in the application packet also. Stage 1 yields us 12 studio units and we are hoping to be open early spring 2016.

Operations

Start-up

Prior to opening the new facility, Hope 4 Youth will work with Anoka County's Housing Program to conduct the initial screening of potential residents. Candidates will be selected from the County's Coordinated Entry wait list. The information collected by the Coordinated Entry system will be critical to our selection process. See attached Anoka County's Coordinated Entry Application.

Given the numbers of homeless youth seeking housing that goes beyond a 21-day shelter stay, we anticipate being able to quickly achieve full occupancy.

Eligibility for the program includes but is not limited to:

- Employed or attending school or a combination
- Able and willing to pay rent
- Maintaining sobriety
- Meets the Minnesota Department of Human Services' definition of youth homelessness
- Background check reveals no outstanding felony warrants
- No history of violent crime

Because this is a program that offers up to three years of affordable housing, we would not maintain a waiting list but instead rely on the County's Housing Program to maintain a vetted waiting list of potential residents when an opening in our program occurs.

The facility is a single occupancy model with 12 studio units. The program will charge monthly rent and a damage deposit must be paid prior to moving in.

This will be a secure facility that is staffed 24 hours a day. Interior and exterior security cameras will monitor the facility at all times. Residents will be allowed up to two visitors, three times a week. A reasonable curfew will be imposed. There will be common areas in the facility as well as office space for staff and volunteers. Amenities include a computer lab, fitness gym, and a laundry. There will be indoor and outdoor space suitable for socializing. H4Y will work to promote a sense of community among the participants.

After careful consideration, Hope 4 Youth has decided to contract with YouthLink and CommonBond. Our ultimate goal is to create a sustainable program that moves our young people from surviving to thriving. Partnering with two established organizations with a solid track record

serving this population is key to our success. YouthLink will provide two Transition Coaches and an Employment Counselor who will deliver critical services for our residents. They will work closely with the H4Y Program Coordinator to achieve continuity. CommonBond will function as our Property Manager.

In order to build the necessary infrastructure, the following tools/protocols will be developed prior to opening the facility:

- Policy and Procedures Manual
- Employee Handbook
- Residents Guidebook
- Staff Job Descriptions
- Work with CommonBond to develop a Rental Agreement, Rent Collection Procedure, Termination Criteria

Services to be provided

Service Plans will specify all services to be provided, frequency of the services, and identify who will deliver the service. The plan will identify goals including quantifiable objectives and the duration of each service. We work with Anoka County Empowers, a youth employment program. In an effort to meet the physical and emotional health needs of our participants we will establish onsite healthcare. Collaborative partners include Anoka County Public Health, Allina Health Clinic, and Family Tree Clinic, as well as nurses and therapists willing to donate their services. H4Y will have service agreements in place with collaborative partners. They will also maintain relationships with agencies currently working with the Drop in Center and expand as needed.

Services include:

Transitional Housing for Homeless Anoka County Youth:

Up three years of safe, decent, and affordable housing and supportive services for 18-to-23-year old youth that meet the State's definition of homelessness.

Intake and Risk Assessment:

Based on information provided by the youth participant, school district, other providers, and if appropriate, family members, an Abuse Prevention Plan will be developed. The purpose of the plan is to reduce the risk of harm to the individual youth and the H4Y community.

Individualized Goal Planning

A Transition Coach will meet with each participant on a weekly basis to discover their strengths and interests, challenges and barriers, and aspirations and dreams. Together the coach and participant will identify any emotional or physical health issues to be addressed.

Transition Coaches and Employment Counselors will work with each participant to create a realistic employment goal plan. They will provide the structured support services. The participant's goal plan will be evaluated every three months and if necessary, appropriate changes will be made to the plan.

Plans will address:

- Independent Living Skills
- Education/GED
- Employment/Internships
- Physical and emotional health services
- Recreational and Enrichment Services

Hope 4 Youth staff and volunteers will actively promote a casual social environment. Staff and volunteers will solicit tickets to events, computer games, art materials, etc. Participants will create an activity calendar with rotating responsibility for each activity. H4Y will recruit talented community members to teach classes.

Participant Exit Plan

We anticipate that the average length of stay will be 18 to 24 months. H4Y will offer exiting residents aftercare services for a period of one year. H4Y's objective is long-term self-reliance for the youth we serve. The post-participation goal will be that an exiting participant will be able to secure and maintain permanent housing for a minimum of 12 months.

Program evaluation will occur throughout the duration of the program and will include the youth participant's assessment of his or her individual progress and satisfaction with the services received. H4Y will conduct a final evaluation and exit interview.

Marketing Plan

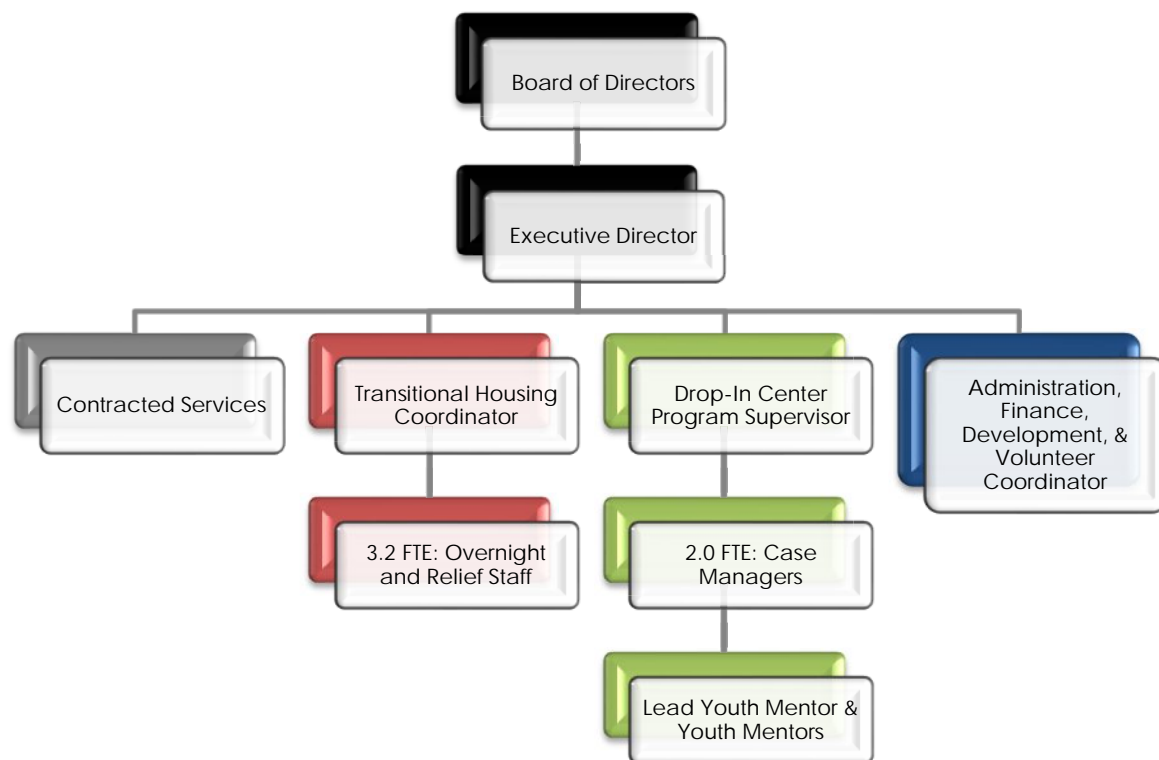
A media policy will be put in place. The plan will identify the primary media contact. Hope 4 Youth will utilize social media (e.g., Facebook, Instagram, YouTube); enlist volunteers to maintain a relatable website; write a newsletter; and blog. We will conduct regular open house tours for interested community members. H4Y will actively participate in local events such as health fairs and community celebrations.

Management Summary

Hope 4 Youth will mark a significant organizational milestone with the addition of a transitional housing program. H4Y recognizes that the management of a 24/7 residential program requires a more structured and traditional business model. After careful consideration, Hope 4 Youth made the decision to reorganize. Under the leadership of the Board of Directors, Hope 4 Youth will become a

multi-program agency existing under a single 501c3 non-profit exemption status and adhere to the State's regulations. An Executive Director, accountable to the Board, will oversee the day-to-day operations. Of utmost importance to the Board is the long-term sustainability of the organization. To that end, Hope 4 Youth is replicating the management structure of successful transitional housing programs for homeless youth throughout the metropolitan area. The most significant change to the management structure is the decision to contract with CommonBond and Youthlink. Their experience will help Hope 4 Youth avoid some of the typical challenges of a start-up program.

Personnel



HOPE 4 Youth Responsibilities Delineation Chart

Insert Chart

Expansion Plan

H4Y knows that the need for safe, affordable housing outpaces the resources for homeless youth. H4Y wants to be able to grow this program to meet that need. Phase One of this project will be the foundation for a sustainable program, achieving essential long-term outcomes for the youth we serve.

Phase 1-3 Expansion Goals

Phase 1 starts November 2015 and construction completed by early spring 2016

Phase 2 will start in early spring 2019 and completed by early winter 2019. Phase 2 includes a 2 story addition on top of existing building. 2nd floor will be completely finished as part of Phase 2.

Phase 3 will start early spring 2021 and completed mid-summer 2021. Phase 3 consists of finishing off

interior of 3rd floor.

Phase 2 & 3 of the program will start with an in-depth program evaluation. This information will be included in a Position Paper/Progress Report. The report will be circulated to H4Y's Board and current and potential capital donors. A funding strategy will be developed based on a demonstrated need. A Capital Campaign Committee will be recruited to implement the strategy. The Committee will include Board representation, prominent community members, business leaders and – potentially – key elected officials.

The current architectural plan includes a combined Phase 2 and Phase 3 expansion. The plan is to add two floors of living units on to the existing facility at the same time. The program implementation will be done in phases. The total number of units is expected to be 40 studio units by 2021. HOPE 4 Youth will engage a project management firm to coordinate the expansion process.

Some of the ideas being discussed at this time is to incorporate a small business into the lower level once the upper studios are habitable. An example is a business of making gifts such as cookie baskets by the youth who live in the facility. This will teach the youth business planning, marketing, accounting and production skills.

Board Proposed Budget: 09.01.2015

Expenses

Salaries: Position Description	FTE	Budget Total
Executive Director	0.60	51,000
Program Services Coordinator	1.00	47,000
Volunteer Coordinator	0.50	23,500
Development Manager	0.50	39,000
Weekend/overnight Staff	3.20	119,808
Data Entry	0.50	14,000
Bookkeeper	0.30	7,800
TOTAL FTEs / SALARIES	6.60	\$302,108

Taxes/Benefits	
FICA	23,111
Unemployment	2,175
Workers Compensation	5,498
Health Insurance	9,870
Life & Long Term Disability	
Staff Development	2,000
Retirement-Agency Match	
Contract Labor YouthLink	120,000
Contract Labor - IT Services	10,800
Contract labor - CommonBond	35,000
Marketing/social media	2,400
Total Taxes/Benefits	\$210,854

Insurance	
Directors & Officers	1,400
Professional Liability	3,000
Property, Umbrella Liability	12,000
Cyber / Privacy Liability Insurance	
Total Insurance	\$16,400

Program Expenses	
Printer /Copier Rental	2,200
Volunteer Expense	800
Development	800
Special Events	15,000
Background Checks	650
Food Pantry	4,500
Client Security	500
Client Transportation	500
Program Activities	500
Housing Assistance	1,000
Client Education	1,500
Client Personal Needs	250
Staff Mileage Reimbursement	1,500

Client Incentives	1,200
Computer Expense	1,200
Printing	2,000
Postage	1,000
Translator	200
Workshops & Seminars	1,500
Total Program Expenses	\$36,800

Facility Expenses	
Gas & Electric	8,600
Garbage	1,200
Water	2,400
Telephone	1,625
Grounds Upkeep/Snow Removal & Lawn Care	2,500
Client Turnover Expense	600
Supplies and Materials	450
Exterminating	965
Cleaning Supplies	400
Furniture & Equipment	0
Total Facility Expenses	\$18,740

Administrative Expenses	
Office Supplies	600
Job Postings	100
Advertising	1,500
Dues/Subscriptions/Licenses	1,500
Professional Services (Audit / 990 / Legal)	6,500
PITI	36,888
Organizational Expansion	
Bank Fees/Misc.-Agency	2,000
Total Administrative Expenses	\$49,088

Total Expenses: \$633,990

Revenue

Minnesota Housing Agency	45,000
DHS/OEO	40,000
United Way	50,000
Faith community	73,000
Foundations	125,000
Corporation Small Business	65,000
Rental Income	28,800
Contributed Individuals	93,864
Special Event	80,000
Pledge/Heartland Tire	33,324

Total Revenue: \$633,988

In Conclusion

Currently, there is no safe housing option for homeless youth in Anoka County. Hope 4 Youth's transitional housing program will address this serious unmet need in the community. H4Y's experience working with young people trying to survive on the street has taught us that youth homelessness is a complex issue. H4Y's transitional housing program will provide a foundation for stability. Safe, decent, and affordable housing is a basic necessity. However, the comprehensive continuum of services that H4Y intends to provide will give homeless youth the tools they need to become self-reliant, productive members of the community.

H4Y will forge true partnerships that will enrich the transitional living experience for all of the youth participating in the program. H4Y volunteers will continue to lend their considerable talents to the program. Hope 4 Youth's Board of Directors knows that this program will benefit Anoka County Youth and will be an asset to the entire community.

Appendix

Tours

Board members, the Interim Executive Director, and the independent consultant toured successful youth housing programs during a six-month period (January – June 2015).

- Avenues for Homeless Youth, Minneapolis
- Hope Street, Catholic Charities, Minneapolis
- Nicollet Square, Beacon, Minneapolis
- St. Barnabas, Aeon, Minneapolis
- Urban Peaks, Denver, Colorado
- YouthLink Opportunity Center, Minneapolis

Conversation with Providers/Experts in the Field

- De. Heather Huseby, YouthLink
- Gina Ciganik, Aeon
- Katie Hass, Aeon
- George Stone, CSH (formerly Corporation for Supportive Housing)
- Dick Strassburg, The Tegra Group
- Lee Blons, Beacon
- Pat McDonald, Anoka County CAP
- Michelle Reid, Anoka county Housing Program
- Colleen Schmitt, MN Day one

Extractions

- Wilder Foundation Research on Youth Homelessness –
- Nation Alliance to End Homelessness - Annual Homeless Assessment Report
- Lutheran Social Service - Best Practices for Implementing Trauma Informed Care for Homeless Youth
- Homeless Youth Statistics & Facts
- Family and Youth Services Bureau
- The Homeless Youth Collaborative on Development Evaluation – Bremer Foundation

Enclosures

- Architectural Rendering

